



To: Executive Cllr for Community, Arts and Recreation
Report by: Trevor Woollams (Head of Community Development)
Relevant scrutiny committee: Community Services 11.7. 2014
Wards affected: All

Review of Community Development and Arts and Recreation Development Grants

Key Decision

1. Executive summary

- 1.1 The context for this report is the very challenging financial situation facing local government. The Council's Mid-Year Financial Review published in October 2013 set out a significant savings requirement of around £6m for the next 4 years. Difficult decisions have already been taken which have delivered the savings requirement for 2014/15 but on-going reviews and more difficult decisions are needed in order to deliver additional savings for 2015/16 and beyond.
- 1.2 In October 2013 this committee received a report from the Director of Customer and Community Services setting out plans to transform, re-focus and merge discretionary services within Community Development and Arts and Recreation.
- 1.3 On 16th January 2014 this committee considered a report which set out proposals for a major review of the Council's Community, Arts and Recreation Development Grants. Recommendations in the report setting out the scope and time table for the review were unanimously endorsed by members of the committee and agreed by the previous Executive Councillor.
- 1.4 The review process has included consultation with community groups and residents about proposed changes to the priorities and desired outcomes for the Council's Community, Arts and Recreation Development Grants.

- 1.5 Whilst the proposed priorities and outcomes are linked to the Council's existing Community Development, Arts and Sports strategies, the report reflects that there is a strong correlation between the proposed changes, which generally received high support during the consultation, and the new Labour Administration's Annual Statement which was adopted as Council policy on the 12th June. This puts tackling social exclusion and poverty at the heart of the Council's policy agenda.
- 1.6 The report brings together the findings from the consultation and sets out recommendations for:
 - a) new grant priorities and desired outcomes for Community, Arts and Recreation Development Grants to be used for assessing all future applications.
 - b) the budget for Community, Arts and Recreation Development Grants from 2015/16.

2. Recommendations

The Executive Councillor is recommended to agree:

- 2.1 New priorities and outcomes for the Council's Community, Arts and Recreation Development Grants as set out in Section 7, paragraphs 7.1 and 7.2.
- 2.2 That, the 2015/16 budget for Community, Arts and Recreation Development Grants is provisionally set as £900,000 subject to confirmation as part of the 2015/16 budget round.
- 2.3 That, once confirmed as part of the 2015/16 budget round, the budget for Community, Arts and Recreation Development Grants will be frozen at that level for a further two years (2016/17 and 2017/18).
- 2.4 That the amount of the overall budget devolved to area committees for 2015/16 is provisionally set as £80,000 and distributed as set out in Section 7, paragraph 7.3c, subject to confirmation at Community Services Scrutiny Committee in January 2015.
- 2.5 That the Community, Arts and Recreation Development Grants are renamed 'Community Grants'.

3. Background

- 3.1 The context for this report is the very challenging financial situation facing local government. The Council's Mid-Year Financial Review published in October 2013 set out a significant savings requirement of around £6m over the next 4 years. Difficult decisions have already been taken which have delivered the savings requirement for 2014/15 but on-going reviews and more difficult decisions are needed in order to deliver additional savings for 2015/16 and beyond.
- 3.2 In October 2013 this committee received a report from the Director of Customer and Community Services setting out plans to transform, re-focus and merge discretionary services within Community Development and Arts and Recreation. The restructure of the Children and Young People's Participation service (ChYpPS) and community centre management is now complete and plans to set up the new Community Arts Trust are well advanced.
- 3.3 A report by the Director of Customer and Community Services to this committee in October 2013 set out proposals to review discretionary services within Community Development and Arts and Recreation and to bring the two service areas together under a single head of service during 2014/15.
- 3.4 The report highlighted the importance for the Council to focus its discretionary spend on supporting residents with high needs, especially those with needs that are not met from statutory organisations or from other public sector organisations. The proposals included outlined plans to review Community Development and Arts and Recreation Development Grants in the first half of 2014.
- 3.5 The Executive Councillor for Community Wellbeing agreed the scope of the grants review at a meeting of this committee in January 2014. This included consultation on draft proposals to re-focus grant priorities and outcomes to remove barriers to services and activities that help those residents in most need.
- 3.6 The draft priorities were:

	Priority
a	Sporting activities
b	Arts and cultural activities
c	Legal advice
d	Employment support
e	Community development activities

3.7 The draft outcomes were:

Applicants will need to demonstrate that their services, projects or activities will achieve one or more of the following outcomes:

	Outcomes
i)	Reduce inequalities for those with the highest needs
ii)	Improve the health and well-being of participants
iii)	Integrate communities
iv)	Help people to gain employment
v)	Strengthen the voluntary sector in the city

3.8 The agreed scope for the grants review also included consultation on possible reductions to the overall Community, Arts and Recreation Development grants budget which stands at £1,190,050 in 2014/15. This figure includes discretionary rate relief and is currently made up as follows:

Service area	2014/15 budget
Arts and Recreation (+ Junction) (+ Area committees)	£222,550 (£86,890) (£18,920)
Community Development (+ Area Committees)	£775,690 (£86,000)
Total	£1,190,050

3.9 It was agreed that the findings of the review should be reported back to members in July 2014 for decision on:

- a) new grant priorities and desired outcomes for Community, Arts and Recreation Development Grants to be used for assessing all future applications for funding.
- b) the Community, Arts and Recreation Development Grants 2015/16 budget.

3.10 To recap, the review has been carried out to the following timetable so that the new priorities and 2015/16 budget are agreed in time for the application process which starts in August 2014.

Key Action / Activity		Date
Exec Cllr agrees draft priorities	Community Services Scrutiny	16 Jan 14
Consultation with voluntary and community organisations, and the public, on revised priorities	12 weeks	27 Jan to 25 Apr 14

Key Action / Activity		Date
<i>Elections</i>		<i>22 May 14</i>
Exec Cllr agrees new priorities and any budget savings for 2015/16	Community Services Scrutiny	July 14
Grants applications invited for 2015/16. Voluntary and community organisations informed about new priorities and any budget savings.	Officer process	Aug – Sept 14
Grants assessed	Officer process	Oct – Dec 14
Final scrutiny report with grant award recommendations circulated to grant applicants	Officer process	Dec 14
Exec Cllr agrees grants awards for 2015/16	Community Services Scrutiny	Jan 15
Area Committee grants applications invited for 2015/16.	Officer process	Jan – March 15
Area Committee awards agreed for 2015/16	1 report to each area committee	March/Apr 15

- 3.11 In considering any changes to the Community, Arts and Recreation Development Grants, it should also be remembered that the Council provides grants to support homeless people through the Strategic Housing service. The Community Development and Arts and Recreation services also manage significant capital programmes that provide improvements to community, sports and arts facilities that are owned or leased to voluntary organisations across the City.
- 3.12 In May 2014 the city electorate returned a Labour Administration. The Council's new policy objectives, as set out in the Annual Statement approved at Council on 12th June 2014, make a commitment to improve social inclusion and tackle poverty.
- 3.13 A separate review of the Council's Sustainable City grants has been undertaken by the Head of Corporate Strategy and will be reported to Environment Scrutiny Committee this cycle.

4. The Review - Consultation

- 4.1 The review has been carried out to ensure compliance with the Cambridgeshire Compact. Consultation has been carried out over a 12 week period. The consultation has focused on voluntary and community organisations but officers have encouraged individual residents to also give their views through an on-line survey and through short exit interviews with young people as they left school.
- 4.2 The consultation included:

a) An on-line survey, hosted on Survey Monkey

This ran from 27th January until 25th April 2014 and was publicised via mail-outs to funded groups, via infrastructure organisations including the Cambridge Council for Voluntary Services, Cambridge Ethnic Community Forum and Guidance, Employment and Training Group to all their member groups, via twitter, Shape Your Place, Cambridge Arts Network newsletter and via a link from the Council's website. The survey asked people whether they supported the proposed priorities and outcomes, their views about possible budget reductions and, for those representing funded groups, what the impact might be on their group if funding was reduced. 223 responses were recorded.

Responding as	proportion
Voluntary organisation funded by Council	31%
Voluntary organisation not funded by Council	14%
User of Voluntary organisation that has been funded by the Council	15%
Individual who lives within the City boundary	40%

b) 2 workshops for funded groups

The 2 workshops were run by an independent facilitator, engaged through the East of England Local Government Association. Voluntary groups and organisations that had received funding from the Community, Arts and Recreation Development Grants budget over the last 3 years were invited. The workshops focused on the proposed priorities and outcomes to explore whether they were generally supported or whether there were alternative priorities and outcomes that the Council should consider. 64 people representing 47 groups attended.

c) Exit interviews with young people

Short interviews were carried out by officers from the Children and Young People's Participation Service (ChYpPS) with a selection of young people at the gates of secondary schools. The interviews asked young people to prioritise the proposed priorities and outcomes and also asked what they would like voluntary groups to do for children and young people. 88 interviews were completed.

4.3 Following an omission to invite a representative from The Junction to the workshops, officers held a meeting with their Director to discuss the proposals and his written response to the consultation.

- 4.4 Reports from each of the above are included in a consultation information pack which can be found at this link:
<http://democracy.cambridge.gov.uk/documents/s24845/GrantsConsultationResponsesPack.pdf.pdf>

A summary of the responses from the consultation is set out in Appendix A.

5. Area Committees

- 5.1 The overall grants budget includes £20,000 from the previous Safer City grants budget which was amalgamated into the devolved area committee grants budgets in 2014/15 (£5,000 to each area committee). The remaining area committee budgets for 2014/15 are weighted according to deprivation and population.

Committee	% split	C,A&RD £	Safer City £	Total £
North	37.8	39,660	5,000	44,660
East	32.2	33,784	5,000	38,784
South	20	20,984	5,000	25,984
West Central	10	10,492	5,000	15,492
Total	100	104,920	20,000	124,920

- 5.2 To keep the application and administration process as simple as possible (which was a plea from many of the voluntary groups) officers propose that the same priorities and outcomes are used to assess all 'Community, Arts and Recreation Development' grant applications, whether they are submitted to the main grants round or to an area committee.
- 5.3 Area committees will include an additional priority for activities that improve community safety linking to the 2014 – 17 Community Safety Plan.

6. Conclusions from the Review

- 6.1 There was strong support for refocusing the Community, Arts and Recreation Development Grants on helping those residents in most need whether through low income or through removing barriers relating to disability, gender, ethnicity, sexual orientation etc. This supports the new Labour Administration's emphasis on social inclusion and the anti-poverty agenda, ensuring the city is fair for all and that prosperity is shared across the community.

- 6.2 There was also strong support for both the proposed priorities and outcomes although *community development activities (91%)*, *legal advice (83%)* and *employment support (80%)* gained more support than *arts and cultural activities (76%)* and *sports facilities (73%)* in the main survey.
- 6.3 A few suggestions were put forward for additional priorities or outcomes but there was no consensus of support except for help with capacity building, which was seen as very important by some participants at the workshops. It was felt that this type of support would become more important as funding (in general) became more difficult to find and reduced service provision (by the public sector in general) placed a greater reliance on the voluntary sector. The recommendations, therefore, include an additional priority of '*Capacity Building of the Voluntary Sector*'.
- 6.4 The need to help people who are living in social isolation (especially the elderly on low incomes) came up a number of times from both the on-line survey and the workshop. Again, this issue links directly to the social inclusion and anti-poverty agenda as it relates to how poverty and/or social isolation (whether through poverty or other social factor) can have a serious impact on a person's health and wellbeing.
- 6.5 Given feedback from the consultation during the review, and the Equalities Impact Assessment, officers are recommending that most of the draft priorities and outcomes from the January Scrutiny report are retained or adjusted but that the desire to reduce social inequality (e.g. by removing barriers related to disability, gender, ethnicity, sexual orientation etc.) and tackle poverty is made more explicit (see Section 7).
- 6.6 Discretionary Rate Relief (DRR) applications should continue to be assessed against the agreed priorities and outcomes for Community, Arts and Recreation Development Grants and any award for DRR should continue to be funded from this grants budget.
- 6.7 It is difficult to determine the impact of any reduction in the overall budget on any individual organisation. The change in priorities and outcomes will almost certainly have a bigger impact on organisations that do not currently focus any of their activities on helping people with high needs and that are not able (or do not want) to re-focus their activities on helping those in most need. Those organisations which already have this focus may be able to demonstrate that their grant funding should be increased.

- 6.8 There may be additional implications if funding is significantly reduced for those organisations that have a property relationship with the Council. For example, if they are destabilised this might impact on rental income for the Council and/or on their ability to draw in funding from other sources.
- 6.9 It also needs to be recognised that arts, sports and cultural infrastructure is often reliant upon public subsidy of some kind for its survival. The cumulative impact of reductions in subsidy by national bodies such as Sport England and Arts Council England and through reduced support by local authorities can have a destabilising impact.
- 6.10 The above will need to be assessed alongside the grant application from the individual organisation so that any wider implications can inform the funding decision in January 2015.
- 6.11 Members may also want to consider whether, in certain cases, it may be beneficial to offer some organisations 3 year funding agreements. Whilst this might have the positive affect of giving the organisation more stability, it would also leave less flexibility within the annual grants budget to fund other worthwhile applications. Decisions about the length of funding agreements could be assessed as part of the grant application process so that a decision for the individual organisation can be taken in January 2015.
- 6.12 Whilst very few people want to see reductions to the overall grants budget, there is a general understanding that the Council has to make difficult decisions in order to find savings. At the workshops, there was also recognition that whilst other public bodies had made significant cuts to their grants budgets already, the City Council had managed to protect their support to date.
- 6.13 The findings from the survey suggest that most organisations (that responded to the survey) that we currently fund would be able to continue if their City Council funding was reduced by 25% in 2015/16 compared to 2014/15, although they would need to reduce the services they provide. The impact gets more pronounced if funding was reduced by 50%.
- 6.14 In view of the above, an overall budget reduction of 25% to Community, Arts and Recreation Development Grants would seem reasonable in the context of the Council's requirement to continue to find significant savings. If the budget was also cash limited (as in previous years), this would still leave a £900,000 annual grant budget whilst delivering a total saving of £308,050 as shown in the following table:

	Grant Budget	Savings
Existing 2014/15 budget	£1,190,050	
Less 25% reduction	£297,513	
Equals	£892,537	
Round up to	£900,000	£290,050
Cash limit for 2015/16 (2% of £900,000)		£18,000
Total	£900,000	£308,050

- 6.15 Instead of the current situation where we have separate ring-fenced budgets for Community Development and Arts and Recreation and a ring-fenced budget for The Junction (as shown in the table at paragraph 3.8), it is proposed to have a single generic grant budget of £900,000 (less the amount devolved to area committees). Any voluntary sector group or organisation seeking funding will need to apply for a grant through the same process and each application will be assessed against the same priorities and outcomes.
- 6.16 In response to the on-line survey, a number of respondents made the point that, in their opinion, the name “Community, Arts and Recreation Development Grants” was confusing and did not really reflect either the Council’s existing or proposed priorities and outcomes for these grants. In particular, some respondents queried why the proposed priorities included legal advice and employment support.
- 6.17 Given the comments in paragraph 6.16 above and the new (proposed) focus on helping those residents in most need to access the priority activities and support, it is recommended that Community, Arts and Recreation Development Grants are renamed ‘Community Grants’. This is a term widely used by other bodies and generally understood by voluntary groups.

7. Recommendations

- 7.1 That, given the level of support for the Council’s proposed Community, Arts and Recreation Development Grant priorities and outcomes, as set out in the January Scrutiny report, it is recommended that the following are agreed:

7.2 Grant Priorities and Outcomes

That all applications for funding must demonstrate the grant priorities and outcomes detailed as follows:

All applications must demonstrate that the funding will reduce social and/or economic inequality by removing barriers for City residents with the most need to enable them to access one or more of the priorities

Priorities

- a) Sporting activities
- b) Arts and cultural activities
- c) Community development activities
- d) Legal and/or financial advice
- e) Employment support

Or

- f) Capacity building of the voluntary sector to achieve the above

plus achieve the primary outcome

Primary Outcome

Reduce social and/or economic inequality for those with the highest needs

plus achieve one or more of the following outcomes

Outcomes

- a) Improved health and wellbeing
- b) Communities come together and bring about change
- c) More people have better opportunities to gain employment
- d) Stronger voluntary sector in the city

7.3 Grant Budget

- a) That the overall budget for Community, Arts and Recreation Development Grants for 2015/16 be provisionally set at £900,000, subject to confirmation as part of the wider 2015/16 budget round.
- b) That, once confirmed as part of the 2015/16 budget round, the budget for Community, Arts and Recreation Development Grants will be frozen at that level for a further two years (2016/17 and 2017/18).
- c) That the amount of the overall budget devolved to area committees for 2015/16 be reduced to £80,000 and distributed as follows:

Committee	% split	C,A&RD £	Safer City £	Total £
North	37.8	22,680	5,000	27,680
East	32.2	19,320	5,000	24,320
South	20	12,000	5,000	17,000
West Central	10	6,000	5,000	11,000
Total	100	60,000	20,000	80,000

7.4 Name of Grants

That the Community, Arts and Recreation Development Grants are renamed 'Community Grants'.

8. Next steps

- 8.1 If the recommendations are supported by the Executive Councillor, officers will hold workshops with Cambridge Council for Voluntary Services and the voluntary groups that we have previously funded or who might wish to apply for future grant funding. The workshops will take groups through the new priorities and outcomes and the application programme. The workshops will also explore what further support or advice groups might benefit from (for example, other potential funding sources, budget planning etc.)
- 8.2 Officers will also continue to offer advice and support through meetings with individual groups.
- 8.3 In line with the programme in section 3 of this report, the main grants application round for 2015/16 will commence in August and run until the end of September 2014. Applications will be assessed in October / December 2014 against the new priorities and outcomes. The

application process will include an assessment of impact on the individual organisation so that this can be taken into account when awards for 2015/16 are agreed at Community Services Scrutiny Committee in January 2015.

- 8.4 The area committee's grants process, using the new priorities and outcomes will commence in January for the March/April 2015 cycle.

9. Implications

(a) Financial Implications

The review was carried out within existing budgets.

If agreed, the recommendations will deliver on-going savings of £308,000 from April 2015.

(b) Staffing Implications

There is a heavy workload within Community Development and Arts and Recreation over the next 6 to 9 months which is facilitating the merger of the 2 sections under a single head of service. Implementing the recommendations from this review will need to be prioritised for staff within the grants team.

(c) Equality and Poverty Implications

C1 An initial Equality Impact Assessment (EqIA) was carried out in December to inform the grants review process. The main impacts and mitigation were reported to Community Services Scrutiny Committee in January 2014 when the review process was agreed.

C2 A new EqIA has been carried out in the context of the findings from the review and desktop research and it has informed the proposals and recommendations set out in this scrutiny report. The main equalities and poverty impacts together with proposed mitigation measures are set out below but Members of Community Services Scrutiny Committee are urged to read the full EqIA which can be found at Appendix B of this report and on the Council's website at this link:
<https://www.cambridge.gov.uk/equality-impact-assessments>

C3 The report recommends 2 key changes to the Council's Community, Arts and Recreation Development Grants:

- i) Changing the focus of the priorities and outcomes to ensure funding helps those residents with the highest needs. In particular, all applicants will need demonstrate how their application will reduce social inequality.
- ii) Reducing the overall budget by 25% to help meet the Council's challenging savings requirement.

Positive Impact

- C4 The EqIA explored issues around poverty and people with protected characteristics. Evidence shows that people who experience some form of inequality or discrimination related to their protected characteristic are often on low incomes. For example, they may find it harder to find employment, or retain a job.
- C5 People on low incomes can then become more isolated or develop other issues. For example, they might become physically or socially inactive because they cannot access sports activities, arts and cultural activities or afford to go to local activities in their community. They will also be more likely to need legal and financial advice and support to help them find employment.
- C6 People on low incomes are also more likely to benefit from community development activities that can, for example, bring residents together to reduce social isolation, help them to gain confidence and strengthen their local support networks.
- C7 Therefore, prioritising applications that help people who are in poverty or on low incomes will also help to address issues related to exclusion and inequality for people with protected characteristics.
- C8 Although prioritising applications for funding that seek to address the impact of poverty is central to the proposed changes to the grants priorities and outcomes, the EqIA acknowledges that people with protected characteristics who are experiencing high levels of social exclusion may not always be on a low income or may not always be able to resolve their exclusion by paying for some help. An example may be women from certain ethnic communities not being able to access swimming because there are no women only sessions or because the sessions can be overlooked by men. The focus on reducing social inequality will

also enable applications from groups that support residents in such circumstances to be prioritised if appropriate.

- C9 With a reduced budget from April 2015, the Council will not be able to fund as many grant applications at the same level as it has in 2014/15. However, the new priorities and outcomes will ensure that applications supporting residents with the highest social and economic needs are prioritised. This means that for many people experiencing high levels of inequality relating to protected characteristics, the impact of the proposed changes will be **positive**.

Negative Impact

- C10 Conversely to the positive impact for those people experiencing high levels of inequality, there will be groups and organisations that support people who do not experience high levels of inequality and/or who are able to pay to access activities, advice and services, who will not receive the same level of funding or who might not receive any funding at all. For these groups and the people they support, the impact will be **negative**.

Mitigation

- C11 Assuming the proposed priorities and outcomes and reduced budget is agreed by the Executive Councillor for Community, Arts and Recreation a communications plan will be implemented by officers to ensure that voluntary sector groups and organisations are aware of the likely implications of the changes for their organisation and prepared to apply for funding, if appropriate, during the August to October grants round for 2015/16.
- C12 This will include workshops with representatives of voluntary sector groups and organisations to explain the changes in detail and run through the grant application process. Officers will give examples of how applicants might demonstrate how their application meets one or more of the new priorities and how it will deliver the new outcomes. The workshops will also be an opportunity for questions.
- C13 Officers will be available to meet representatives of individual groups to talk about particular issues and to signpost them to other means of support such as the Cambridge Council for Voluntary Services or other potential sources for grant aid or organisations that might assist with volunteers.

- C14 Officers will also provide guidance notes for the application process.
- C15 The application appraisal process will test each application against the new priorities and outcomes using evidence submitted with the application and evidence collected to inform the EqlA (which is referenced at the end of the EqlA). Funding recommendations will be published in December 2014 and scrutinised and confirmed in early January 2015.
- C16 All voluntary groups and organisations submitting funding applications will be able to attend the scrutiny committee and speak in favour of their application if they wish.
- C17 Officers for the grants team will continue to retain an on-going and supportive relationship with organisations that receive funding to help ensure that the desired outcomes are achieved.
- C18 The EqlA includes a list of links to local and national evidence documents. Anyone with an interest in the voluntary sector, the people it helps and the impact that discrimination and inequality can have on people on low incomes and those with protected characteristics will find this information of interest.

(d) Environmental Implications

Funded organisations are expected to have or develop environmental policies.

(e) Consultation and Communication

This is set out in the report.

(f) Procurement

None. The Council's approach to grant aid through community development and arts and recreation grants is via an application process rather than through the direct commissioning of services.

(g) Community Safety

None

10. Appendices

Appendix A **Consultation responses**
Appendix B **Equalities and Poverty Impact Assessment**

14. Inspection of papers

14.1 Previous report to Community Services Scrutiny Committee:

Future Options of Discretionary Services – Report to Community Services Scrutiny Committee on 10 October 2013.

<http://mgsq1mh01/documents/g999/Public%20reports%20pack%2010th-Oct-2013%2013.30%20Community%20Services%20Scrutiny%20Committee.pdf?T=10>

Review of Voluntary Sector Grants - Report to Community Services Scrutiny Committee on 16th January 2014.

<http://democracy.cambridge.gov.uk/documents/g1000/Public%20reports%20pack%2016th-Jan-2014%2013.30%20Community%20Services%20Scrutiny%20Committee.pdf?T=10>

14.2 Equality Impact Assessments

December 2013 – Grants Review Process

https://www.cambridge.gov.uk/sites/www.cambridge.gov.uk/files/documents/Grants_Review_EQIA_Dec2013.pdf

June 2014 – Grants Review Outcome and Proposals

<https://www.cambridge.gov.uk/equality-impact-assessments>

14.3 Grants Review - Consultation Feedback Pack

<http://democracy.cambridge.gov.uk/documents/s24845/GrantsConsultationResponsesPack.pdf.pdf>

To inspect the background papers please follow the appropriate link, or if you have a query on the report please contact:

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Appendix A

Summary of Consultation responses

More detail can be found in the Grants Consultation Feedback Pack

<http://democracy.cambridge.gov.uk/documents/s24845/GrantsConsultationResponsesPack.pdf.pdf>

Note: Responses are shown for the proposals that were put forward in the January 2014 report to Community Services Scrutiny Committee

A1. *Proposal: The Council's community, arts and recreation grants budget should be used to reduce barriers to services and activities that help those in most need.*

A1.1 This proposal was set out in the January report as the guiding principal for the Council's grants. It was supported by 84% of respondents from the survey. Some of the reasons given for not supporting this proposal were:

"Grants should be able to benefit all people of Cambridge. It is not clear here what definition is applied to 'highest needs'.

"Prioritisation should be on the basis of value for money rather need"

"I feel that Arts and Culture opportunities should be open to everyone"

"Grants to support local people in a local initiative may be a more effective use of limited funds than larger centrally 'targeted' programmes and may be more effective in meeting real local need"

"Grant areas such as the Arts and other cultural areas are not quantifiable in terms of need"

"I believe they should be used to the benefit of all, regardless of circumstances".

A1.2 At the workshops, there was general agreement that funding should be targeted towards helping those people with the greatest need but some concern about how we could ensure this happened in practice. Some attendees were concerned about the impact on voluntary groups and organisations that provided more universal services, if all the budget was targeted at those with the greatest need.

A1.3 This guiding principle was also supported by a large majority (81%) of the young people who were interviewed.

A2 Proposal: The Council's community, arts and recreation grants budget should be prioritised to help those with the highest needs to access:

A2.1 The results from the survey were very supportive of the proposed grants priorities that were set out in the January Scrutiny report. Sporting activities received the lowest support but this was still high at 73% of respondents. Community development activities received the most support at 91%.

	Priority	Survey results
a	Sporting activities	73%
b	Arts and cultural activities	76%
c	Legal advice	83%
d	Employment support	80%
e	Community development activities	91%

A2.2 Each organisation attending the workshop was given 3 coloured dots to be used as an informal voting system. After attendees had discussed the proposed priorities in discussion groups they were invited to vote for their top 3 priorities. Community development activities scored highest with 37 votes and employment support scored lowest with 18 votes.

	Priority	Votes
a	Sporting activities	24
b	Arts and cultural activities	28
c	Legal advice	22
d	Employment support	18
e	Community development activities	37

A2.3 During discussions at the workshops, capacity building for voluntary groups came out as a strong theme. In particular, capacity building support for new and emerging groups and groups who were struggling to become sustainable.

A2.4 Workshop attendees also discussed what should and should not be funded under each priority. This is summarised in the consultation information pack and will help officers to define each priority area clearly for groups making applications. Attendees were informed that it

was important to ensure the City Council's funding was not used to subsidise activities that were the statutory responsibility of other public sector providers.

A2.5 Similarly, the young people were asked to pick 3 priorities from the list. Again, community development activities scored highest but the young people scored arts and cultural activities the lowest. The young people scored employment advice second highest.

	Priority	Votes
a	Sporting activities	44
b	Arts and cultural activities	37
c	Legal advice	39
d	Employment support	57
e	Community development activities	75

A2.6 Respondents to the survey were asked if there were other priorities the Council should consider. There was little consensus but comments included:

Other priorities	
<i>Development of ties with EU partners - twin cities - music - art education opportunities</i>	<i>Groups that support women like Cambridge Women's Resources Centre</i>
<i>Advocacy and quality checks on care giving organisations</i>	<i>Start up facilities and incubators for Mum's and entrepreneurs to get started</i>
<i>Youth and children</i>	<i>Elderly & Disability groups</i>
<i>General advice and information e.g. on benefits, housing, debt</i>	<i>Parents suffering from stress and depression</i>
<i>Mental well-being</i>	<i>Religious activities</i>
<i>Home visits for seniors</i>	<i>Families with children</i>
<i>Reducing isolation</i>	<i>Childcare support</i>
<i>Self-help and self-improvement organisations. Eg drug rehabilitation, literacy courses</i>	<i>Support for specific groups such as LGBT</i>
<i>Environment</i>	<i>Additional educational activities</i>

A3 Proposal: Grants to voluntary organisations that provide legal advice should be a key priority because many people are facing potential hardship and the benefits system is under pressure:

- A3.1 At scrutiny in January 2014, members wanted the consultation to test whether legal advice should be treated as a key priority, given the impact of the welfare benefits changes and general financial climate.
- A3.2 Respondents to the survey were asked whether they agreed with the statement at A3 above. 65% said 'Yes' and 35% said 'No'.
- A3.3 Of those that said 'No', a number commented that whilst legal advice was really important they did not think that it should be funded from the grants budget. Some said that it was a national issue and should be funded by Government.

A4 Proposal: The Council's Community, Arts and Recreation Development Grants should be used to deliver the following outcomes:

- A4.1 The results from the survey were very supportive of all the proposed outcomes that were set out in the January Scrutiny report.

	Desired Outcomes	Survey Results
a	Reduce inequalities for those with the highest needs	89%
b	Improve the health and wellbeing of participants	96%
c	Integrate communities	87%
d	Help people to gain employment	82%
e	Strengthen the voluntary sector in the city	90%

- A4.2 Respondents were asked if there were other outcomes that the Council should consider. Again, there was little consensus except that a number of respondents emphasised that helping to reduce social isolation was very important. Other comments included:

Other outcomes	
<i>Reduce social isolation</i>	<i>Free admission to museums</i>
<i>Strengthening communities</i>	<i>Access to services</i>
<i>Reducing inequality and unemployment are national issues and beyond scope of Council</i>	<i>Locally controlled land value tax that grants to poorer areas of UK in fairer manner</i>
<i>Target the most vulnerable</i>	<i>Culture and arts</i>
<i>Put strengthening voluntary sector as top priority</i>	<i>Reduce income inequality. Help people escape unethical employment and look for ethical investment in people and the wider environment.</i>

<i>Need to define 'highest need'</i>	<i>Grass roots activities that support community cohesion.</i>
<i>Preventative not just crisis</i>	<i>People to run groups</i>

A4.3 The impact of social isolation also came up a number of times during the workshops. Some participants emphasised that some projects would probably work across 2 or more priority areas and so it would be very important to focus on the outcomes when assessing grant applications.

A4.4 They also felt it was important (in terms of helping those in most need) to ensure that funding was not just delivered to voluntary organisations who worked with established groups of residents. Outreach was seen as very important, especially if trying to tackle things such as social isolation.

A5 Given its financial position, which of the following options should the City Council consider?

A5.1 The January Scrutiny report set out proposals to consult people about 3 possible budget reduction options.

	Budget options	Survey Results
a	Reduce grants budget by 10%	76%
b	Reduce grants budget by 20%	15%
c	Reduce grants budget by 30%	9%

A5.2 It is not surprising, given the nature of the survey, that a high percentage of respondents would favour the smallest budget reduction, however, 24% of respondents did support larger reductions.

A5.3 Whilst the respondents were not offered a choice of “no reduction” in the question above, they were offered the chance to state an alternative amount and/or comment in the following question. Their responses are listed below.

Reduce by other amount / comment	
<i>None of the options – the sum is very small and voluntary sector can be used to save resources elsewhere –should prioritise (x 3)</i>	<i>Grants for activities like Chesterton Festival bring all people together regardless of status or need and have wide community benefits</i>
<i>No reduction is acceptable (x 18)</i>	<i>Find cuts in central budgets (x 3)</i>
<i>Don't know but voluntary sector is cost efficient</i>	<i>Grants are discretionary so significant cuts should be made.</i>

<i>Council needs to prioritise its services on most vulnerable.</i>	<i>As little as possible (x3)</i>
<i>As little as possible but not at expense of essential services</i>	<i>Need to understand Council's finances to make decision (x 10)</i>
<i>Less money thrown away on hideous art installations. More green space</i>	<i>Priority should be to strengthen voluntary and private sector.</i>
<i>5% in first year, 10% in second year and so on so it doesn't come too hard all at once.</i>	<i>Should be increasing the budget by taking money from policing, BID spending etc.</i>
<i>Raise Tax, wealthy city (x 2)</i>	<i>5% max(x 2)</i>
<i>Freeze pay, reduce salaries and don't fill vacant posts</i>	<i>20% cut across grants and all services</i>
<i>Carry out demand surveys for Council services before cutting grants</i>	<i>Don't cut as the government relies on voluntary sector to provide services.</i>
<i>Can grants be funded from reserves?</i>	<i>Reduce budget but also reduce administration cost</i>
<i>Focus grants on things that lever in more money</i>	<i>Fund science projects at the hospital</i>
<i>50%</i>	<i>10% max</i>
<i>Encourage philanthropy from private sector and University</i>	<i>Invest in preventative measures to stop things getting worse</i>
<i>Don't spend what you don't have</i>	

A5.4 Participants at the workshops were informed of the Council's need to continue to find savings given the difficult financial environment. There was not a specific debate about how much the Council should or should not reduce the grants budgets by, but the financial pressures faced by the Council were understood by those attending and provided context for the discussions around priorities and outcomes.

A5.5 The workshops highlighted that capacity building within the voluntary sector will be really important as budgets decrease. Participants felt the Council had a key role to play in continuing to support and grow the infrastructure in which voluntary groups and organisations can flourish.

A5.6 Workshop participants also highlighted the importance of volunteering to the sustainability of the sector.

A5.7 In addition, participants felt that the Council play a crucial role in signposting groups and individuals so they know where they can go for advice, support and to access provision.

A6 What type of City Council funding do you receive?

A6.1 49 respondents to the survey represented groups funded by City Council grants. Of these, 51% receive Community Development funding, 49% receive Arts and Recreation Development funding and 14% receive Area Committee funding (some receive funding from more than one pot).

A6.2 The survey asked these respondents some further questions about their funding and the likely impact if funding was reduced through changed priorities and/or an overall reduction in the grants budget.

A7 What percentage of your organisation's annual budget is currently funded from the Cambridge City Council's grants?

	Amount funded by City Council	Response
a	Up to 25%	55%
b	26 – 50%	25%
c	51 – 75%	5%
d	76 – 100%	15%

A8 What is the total annual income of your organisation?

	Annual income	Response
a	Less than £2,000	20%
b	£2,001 - £5,000	11%
c	£5,001 - £10,000	7%
d	£10,001 - £20,000	6%
e	Above £20,000	56%

A9 What would be the level of impact on your organisation if (as a result of changing its priorities) Cambridge City Council reduced your current level of grant funding by:

	Reduction	No impact	Reduce services	Stop services	Group folds
a	25%	11%	79%	6%	4%
b	50%	6%	48%	32%	14%
c	75%	4%	37%	31%	28%
d	100%	4%	27%	26%	43%

A9.1 A more detailed analysis suggests that 70% of organisations with an annual income of less than £2,000 would need to reduce their services if their grant was cut by 25% and 10% would fold (one group). If 100% of their grant was cut 70% of these organisations said they would fold.

A9.2 80% of organisations with an annual income of over £20,000 would need to reduce their services if their grant was cut by 25% and none would fold. If 100% of their grant was cut, 25% of these organisations said they would fold.

A9.3 This suggests that a percentage reduction will have a disproportionate impact on smaller organisations, which is, perhaps, not surprising.

A10 Grants to organisations with wider relationships to the City Council

A10.1 The impact of possible grant reductions for some organisations may have wider implications for the Council because they lease buildings from the Council. Examples include Cambridge Council for Voluntary Services, the Museum of Cambridge and The Junction.

A10.2 Decisions on each individual case will need to be made after careful assessment in the 2015/16 grants round against the agreed priorities. Members have the option of ring-fencing grant funding for one or more of these organisations and/or agreeing (say) a 3 year grant funding plan. Discussions with the Director of The Junction confirm that they would support this approach as it offers more certainty and stability, helps longer term planning and can assist in drawing in match funding from other sources.

A10.3 Members will need to remember that ring-fencing some of the grant budget and agreeing 3 year funding plans with some organisations will reduce both the availability of funding for other groups and the flexibility to respond to new challenges that might arise in the following year (e.g. welfare changes).

A11. Discretionary Rate Relief (DRR)

A11.1 To date, applications from voluntary organisations for DRR of up to 20% have been treated as grants and assessed against the same grants priorities. There was no suggestion from the consultation that this approach should be changed as DRR can be of significant benefit to some organisations who manage property.